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EXON COMPANY, U.S.A.

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July 16, 1999

PRODUCTION DEPARTMENT

30 CFR 250
Minerals Management Service Proposed Rule
Training of Lessee and Contractor Employees
Engaged in Oil and Gas and Sulphur Operations
64 Federal Register 19318, April 20, 1999

Department of the Interior
Minerals Management Service
Mail Stop 4024
381 Elden Street
Herndon, Virginia 20170-4817

Attention: Rules Processing Team

Dear Sir:

Exxon Company, U.S.A. appreciates the opportunity to comment on the subject Notice of Proposed Rulemaking. We support the MMS initiative to further address development of a performance based training system and the ongoing effort to provide more flexibility in the training regulations while continuing to ensure that offshore workers are properly trained. We commend the MMS for conducting the June 10, 1999, workshop to provide an opportunity for the exchange and discussion of ideas concerning training.

Having OCS operations conducted by well-trained personnel is absolutely essential for safe operations and environmental protection. However, we are concerned about the expanded scope and associated increase in compliance and record keeping burden associated with this proposed rule. The requirement that all lessees develop a detailed training plan which includes training and job qualification requirements for each position, for all employees, lessee or contractor, will result in a significant increase in administrative burden and cost.

It is not readily apparent why MMS is proposing these sweeping revisions to the training regulations. We believe MMS could achieve its purpose of providing added flexibility by allowing lessees, instead of requiring them, to develop training programs in a performance based environment by revising the existing regulations in 30 CFR 250.1512 and 1513 to allow this alternative, performance based, compliance. Many lessees have developed and

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implemented Safety and Environmental Management Programs (SEMP) in accordance with API Recommended Practice 75. Training is a key element of SEMP and includes establishment of training programs so that all personnel, lessee and contractor, are trained in accordance with their duties and responsibilities.

We recommend the MMS withdraw the proposal, and retain the existing regulatory program. However, if MMS does move forward with this rulemaking we have enclosed for your consideration detailed comments. If you have any questions or need additional information, please contact me (713-656-0261) or Noel Bethea (713-656-8625).

Sincerely,



R. A. Mentzer
Operations Integrity Manager

Attachments

MMS Proposed Rule - 30 CFR 250; 4/20/99 FR 19318
Subpart O Training

| Section | MMS Proposed Language | Recommended Language/Comments | Rationale |
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| 250.1500 | <u>Employee</u> means lessee or contractor employees. | <u>Employee</u> means lessee or contractor employees. | Editorial correction |
| 250.1501 | What is the goal of my training program? The goal of your training program is safe and clean OCS operations. To accomplish this goal, you must ensure that your employees are experienced and competent in their respective work assignments. | What is the goal of my training program? The goal of your training program is safe and clean OCS operations. To accomplish this goal, you must ensure that your employees are <u>experienced and competent</u> in their respective work assignments. | The requirement "experienced" would preclude "new hire employees." |
| 250.1502 | What are my general responsibilities for training? (a) You must ensure that your employees are properly trained in the job skills and safety knowledge elements for their positions. We regard the job skills and safety knowledge elements in this subpart as the minimum qualifications OCS workers must have to complete their assigned duties safely and in a manner which protects the environment. You may expand the knowledge elements as appropriate for particular operations. Because you are accountable for the performance of your employees, you must focus on training results, regardless of the method or process used to train them. | What are my general responsibilities for training? (a) You must ensure that <u>lessee and contractor employees engaged in drilling, well-completion, well-workover, or production safety systems operations in the Outer Continental Shelf (OCS)</u> shall be trained in the proper operation of equipment, methods of operation, and techniques to avoid hazards to people and property to prevent pollution of the environment. Your employees are properly trained in the job skills and safety knowledge elements for their positions. We regard the job skills and safety knowledge elements in this subpart as the minimum | Clarifies, in plain English, which personnel are to be trained. The proposal, as written, significantly expands the scope of the rule from the prior T2 and well control regulations to include all lessee and contractor employees, regardless of job role on the lease. This expansion of scope is significantly beyond the existing requirements and the original intent of the proposed rule. As proposed, it could be interpreted to include catering staff, marine, helicopter and other third party "contractor" personnel. This lack of clarity will cause confusion in "training ownership" as well as the diversity of training programs that may exist from lessee to lessee. This would be onerous and significantly costly on all contractors |

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| | <p>Qualifications—OCS workers must have to complete their assigned duties safely and in a manner which protects the environment. You may expand the knowledge elements as appropriate for particular operations. Because you are accountable for the performance of your employees, you must focus on training + results, regardless of the method or process used to train them.</p> <p>(b) You must have a training program so that all personnel identified in 250.1502a are trained to work safely and are aware of environmental considerations offshore, in accordance with their duties and responsibilities, plan which specifies the type, method, length, frequency, and content of the training. This plan must include at least the following information:</p> <ul style="list-style-type: none"> (1) Training in operating procedures, welding, burning, hot tapping practices, safe work practices, emergency response and control measures. (2) Training and job qualification requirements for each employee's position. (3) Procedures for maintaining and enhancing job skill requirements, including the latest technological advancements. (4) Procedures for evaluating contractor personnel. (5) Procedures for verifying the skills of employees on a periodic basis. (6) Recordkeeping and documentation procedures. (7) Audit procedures for your training plan. | <p>and lessees, with little environmental or safety benefit.</p> <p>Also, many of the proposed requirements are redundant with other sections of 30CFR250.</p> <p>The requirement for all lessees to develop a detailed training program which includes training and job qualification requirements for each position for all employees, lessee or contractor, will result in a significant increase in administrative burden and cost.</p> <p>The proposal for a detailed, documented training plan is extremely prescriptive, and goes far beyond the MMS intent of developing a performance-based regulation. Most operators have voluntarily developed SEMPs which address training as a key element. This proposal would make many of the existing training programs obsolete.</p> <p>The proposal will force many companies to hire additional staff or contractors to develop and maintain the prescriptive plans – far exceeding the cost burden described under "Supplementary Information."</p> |
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| | <p>of employees on a periodic basis:</p> <ul style="list-style-type: none"> —(6) Recordkeeping and documentation procedures; —(7) Audit procedures for your training plan. <p>(c) You must keep copies of your training plan and documentation for each employee for 5 years at the lessee's or contractor's field office, Headquarters office, or at another location conveniently available to the MMS Regional Supervisor, Field Operations.</p> | <p>A five-year record retention for documentation for all employees (plus contractors and subcontractors) is costly and unwarranted. Availability of current records for existing lessee employees is more reasonable. What is the benefit of retaining out-of-date information? How is this performance-based?</p> | |
| 250.1504 | <p>What well control training must my employees receive?</p> <p>Employees must receive training in well control knowledge and skills as indicated in the following table.</p> | <p>Employees must receive training in well control knowledge and skills, as indicated in the following table.</p> <p><i>Delete table</i></p> | <p>The table is far too prescriptive for a rule that MMS intends to be "performance-based."</p> |
| 250.1505 | <p>What training must my production safety system employees receive?</p> | <p><i>Delete 250.1505</i></p> | <p>We agree that these may be key elements but all elements may not be appropriate in all situations. The proposed wording restricts training flexibility.</p> |

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| 250.1506 | What other types of training must my employees receive? Your employees must receive other training as shown in the following table. | What other types of training must my employees receive? Your <u>applicable</u> employees must receive other training as shown in the following table. | Clarification. |
| 250.1509 | How often must I train my employees? and keep them current in the latest technological advances and regulatory changes. | How often must I train my employees? and keep them current in the latest <u>applicable</u> technological advances and regulatory changes. | Clarify that an employee needs to be kept current on information that relates to his or her particular job. |
| 250.1510 | How will MMS measure training results? | How will MMS measure training results? (1) Training system audit. A training system audit may be conducted by MMS personnel and/or its authorized representative at your office. You will be asked to explain your overall training program. This review may include an evaluation of your training plans and/or records. (3) Written test. MMS personnel and/or its authorized representative may conduct testing at either onshore or offshore locations for the purpose of evaluating an individual's knowledge of the training elements specified in this subpart. Your performance will be evaluated on how your employees perform relative to past written tests or compared to the | How will MMS measure training results? (1) Training system audit. A training system audit may be conducted by MMS personnel and/or its authorized representative at your office. You will be asked to explain your overall training program as it relates to personnel identified in 250.1502a. This review may include an evaluation of your training program plans and/or records. (3) Written test. MMS personnel and/or its authorized representative may conduct testing at either onshore or offshore locations for the purpose of evaluating an individual's knowledge of the training elements specified in this subpart. Your performance will be evaluated on how your employees perform relative to past written tests or compared to the |

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| | written test scores of other companies. | <p>4) Hands-on production safety, simulator, or live well testing.</p> <p>MMS personnel and/or its authorized representative may conduct tests at either onshore or offshore locations. Tests will be designed to evaluate the performance of employees in the job skills and safety knowledge elements identified in this subpart. You are responsible for the costs associated with this testing.</p> | <p>your employees perform relative-to-past written tests or compared to the written test scores of other companies:</p> <p>4) Hands-on production safety, simulator, or live well testing.</p> <p>—MMS personnel and/or its authorized representative may conduct tests at either onshore or offshore locations. Tests will be designed to evaluate the performance of employees in the job skills and safety knowledge elements identified in this subpart. You are responsible for the costs associated with this testing.</p> <p>unnecessary costs and impacts on operations. For example, pulling personnel out of operations could force unnecessary shut-ins, unscheduled transportation costs, overtime, and the need to temporarily replace any key personnel being tested.</p> <p>If lessees or contractors are required by MMS to have personnel tested by specific third parties, MMS should ensure that such costs are reasonable.</p> | |
| 250.1511 | What must I do when MMS administers written tests? | <p>If MMS tests your employees at either your worksite or an onshore location, you must:</p> <p>(a) Allow MMS and/or its authorized representative to administer written tests to your employees.</p> <p>(b) Identify your employees by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name).</p> | <p><i>Delete this Section and other requirements for written testing</i></p> <p>A number of stakeholders (lessee representatives, contractors, and experienced trainers), have repeatedly pointed out to MMS staff at workshops and in prior comments that written testing is not a viable measure of the competency of an individual.</p> <p>There is no environmental and safety benefit of "years of experience" and "years of total oil field experience." The MMS proposal would require a lessee to develop a massive personnel matrix, requiring constant updating. Staff resources would have to be hired by all companies, lessee and contractors, to keep up with the resumes of offshore personnel – with little benefit.</p> <p>MMS can assess the performance of a lessee and observe on-the-job performance of personnel without</p> | |

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| | <p>singling out individuals to subject to testing. This testing will provide no valid indicators of a lessee's overall performance or the effectiveness of its training program. Prior MMS testing has posed questions to personnel that have no relationship to job competency or the job being performed.</p> |
| 250.1512 | <p>What must I do when MMS requires hands-on, simulator, or other types of testing? If MMS conducts or requires you to conduct hands-on, simulator, or other types of testing, you must:</p> <ul style="list-style-type: none"> (a) Allow MMS and/or its authorized representative to administer or witness the testing. (b) Identify your employees by current position, years of experience in present position, years of total oil field experience, and employer's name (e.g., operator, contractor, or sub-contractor company name). (c) Pay for all costs associated with the testing. <p>Delete this Section and other requirements for hands-on, simulator, or other types of individual testing</p> <p>If MMS decides to conduct simulator testing, it should be done in conjunction with onshore training schools to avoid unnecessary disruption to operations and added costs to lessees, contractors, and MMS.</p> |

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| 250.1513 | <p>What will MMS do if my employees are not properly trained?</p> <p>If MMS determines that you are not training your employees to perform their jobs effectively, we may initiate one or more of the following enforcement actions:</p> <ul style="list-style-type: none"> (a) Issue an Incident of Noncompliance; (b) Require you to revise and submit to MMS your training plan to address identified deficiencies; (c) Assess civil/criminal penalties; or (d) Initiate disqualification procedures. <p>What will MMS do if my employees are not properly trained?</p> <p>If MMS determines that you are not training your employees to perform their jobs effectively, we may initiate one or more of the following enforcement actions:</p> <ul style="list-style-type: none"> (a) Issue an Incident of Noncompliance; (b) Require you to revise <u>your program</u> and submit to MMS your training plan to address identified deficiencies <u>and review your revised program with MMS</u>. (c) Assess civil/criminal penalties; or (d) Initiate disqualification procedures. <p>Industry has repeatedly committed to MMS that individual testing is not a true measure of an employee's capabilities or training and is inappropriate.</p> <p>If MMS chooses to conduct testing, and an employee fails the test, MMS should identify the measure to the lessee so that the lessee can reassess his training, if necessary – no penalty should be placed on the lessee.</p> <p>All but (b), as revised, should be deleted as it is redundant with other parts of 30CFR250. If deficiencies are found based on objective evidence, the lessee should be advised of the deficiencies and provided an opportunity to revise his training program as appropriate. Failure to respond to MMS in a timely manner could result in appropriate enforcement action.</p> |
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